

and bulletins of business and statistical organizations, such as Babson, Harvard School of Business Administration, etc. . . . We do notice a growing interest in special research work. More attention is being paid to analysis of local conditions throughout the marketing field, and accordingly to varying sectional effort in sales and advertising.

Joseph Richards Company, New York City: Yes, we do notice a growing interest in this preliminary to the formation of good advertising plans. Business research suffers today from a milder form of the same sort of suspicion that labelled advertising twenty-five years ago. Just as we then believed in the potential force of advertising as a business builder, so we today believe that business research will become the greatest single factor in making advertising results certain and profitable.

Frank Seaman, New York City: There are, of course, many types of sales executives, and it is a matter of constant and continuous amazement to the writer that some apparently successful sales executives achieve satisfactory and even noteworthy results, in spite of the fact that their actions are based on hearsay, prejudice, "hunches," and other methods more or less related to what you probably have in mind under the term "rule-of-thumb" methods. . . . It is our impression, however, that this type of sales executive is on the down grade, and is being replaced by the type of sales executive who feels that he is up against a serious problem in which there are a number of basic elements which can be studied, and on which helpful facts can be collected. It is our belief that there is a definite tendency to reject personal opinion and prejudice and to approach the problem of selling very much as a scientific investigator approaches a problem in technical research. . . . There is no question but that this interest in, and demand for, research work is growing. A few years ago there was no such thing as commercial research work. A recent investigator found some sixty concerns that were doing commercial research work of various types.

From another substantial New York advertising agency: There can be little question of an increasing demand for more exact information on which to base selling (and advertising) campaigns. It seems to me, however, that this demand comes almost entirely from younger men—men who are not bound by the traditions imposed by past successes in the days when selling consisted chiefly of finding a market rather than really "selling" it against competition. . . . A truthful statement of present tendencies must give both sides of the picture. In some organizations "rule-of-thumb" methods still obtain, and in organizations headed by younger and "more progressive" men, there is an obvious desire for scientific fact-finding. As evidences of the success of the newer school multiply, the rush to enlist will become more pronounced, but in the mass, mankind is conservative, and waits until pioneers have shown the way. . . . Agreeing that competition promises to become keener and keener with the passing of each year, I look for greater and greater interest in the technique of selling and advertising. I believe that advertising men, with the necessity born of their work to seek fundamental principles, are as a class considerably in advance in their study of this technique.

## II. Scientific Planning of Sales Activities

### A. Mass Selling Requires Scientific Methods

Advertising has by some been misunderstood and misjudged. In the old days advertising representatives doubtless contributed to this misconception. Much harm was done by them. More recently, as better men have entered the advertising profession and acquired a background of experience and judgment, and as business men have come to regard advertising as an integral part of business development and have studied the matter with an open mind and analytical judgment, great and important changes have come about. In fact, the advertising agency field has made more progress during the past ten than in the previous fifty years.

In this connection I should like to quote from Mr. Stanley Resor's recent address to the American Association of Advertising Agencies. After commenting on the economic changes from 1870 to date, he continues:

It seemed as if all the factors needed for limitless expansion of the market were there—population, output, transportation, and a standard of living mounting higher and higher.

But then a strange thing happened. The factories began to make goods faster than they could be sold. In spite of the enormous market, distribution and selling failed to keep pace with production. The old method of personal salesmanship on articles of general consumption had broken down.

The manufacturer of a cake of soap, a typewriter, a pair of shoes, discovered that if the growing output of his factory was to be sold, he must find some way to number his customers by millions instead of by thousands—to persuade a whole nation to buy. A market with unequalled spending power lay ready, but it must be told how and where to spend.

It was certain that this could not be accomplished by the mere addition of personnel. His salesmen had no access to those who consumed his goods. By the time his own salesmen, the jobber, the jobber's salesmen, the retailer, and the retailer's salesmen had each passed along his story, it had lost most or all of its point.

In the face of these obstacles how was the manufacturer to get his story to the public?

Fortunately, a solution lay at hand. Manufacturers began to find in magazines, direct mail, and display, a means to carry their message direct to millions of consumers; and they found that the newspapers, which went daily into every home in the country, could also help to open for them this entire market. By using these means, the manufacturers found they could sell to millions more economically than through personal salesmanship alone they had been able to sell to thousands.

Today the problem is, how can this great force of advertising be intelligently used? How are we to meet this problem?

The amount of study or knowledge needed for solving these problems cannot be over-estimated.

The Data and Plan Form which one of the leading agencies has used for seven years as a guide in handling analytical work contains some twenty-two pages and raises for consideration more than six hundred questions. The introductory note indicates its purpose:

Before formulating the marketing plans for any product it is necessary to ascertain definite facts about the product, the market, the trade, the organization and competition. In some cases a complete analysis is necessary. In other instances a brief survey is sufficient.

It is the purpose of this outline to indicate the relationship of facts in detail so that a particular problem may be approached with an intelligent comprehension of the entire situation and a complete knowledge of all the possibilities.

No attempt can be made to apply the entire list of questions to every business, but the general arrangement of facts can be of greatest assistance in guiding the work.

It is merely as a guide to clear thinking, not as a needless formality, that this outline is used.

Similar guides to thorough analytical work are now used by a number of agencies, and work of this type is now being done by a surprisingly large number of manufacturers and other organizations.

I should like now to touch briefly on the primary position of advertising in the marketing of consumer products. While comparisons are never strictly accurate, it does seem that advertising might well be regarded in the same light as machinery and plant equipment. Just as a modern clothing factory can make 1.4 suits per man per day, whereas the old-fashioned tailor, working by hand, needed a week to make one suit, so advertising makes it possible for the individual salesman to sell a larger volume at a lower cost. The factory workman certainly makes the suit of clothes, just as the salesman gets the order signed, but the plant equipment and machinery make it possible for the workman to achieve his amazing efficiency; just as advertising, properly planned, changes conditions and creates a new situation in which the salesman can achieve results which otherwise could be had only at higher cost, or, in some cases, could not be obtained at all.

When you think of the tremendous enterprises which have been built up without a single salesman, solely by advertising, you will agree, I believe, that advertising as a business force is not open to question. Think of the hundreds of millions sold by mail. Think

of products like Woodbury's Facial Soap for which druggists disburse more money than for any other soap, although no personal sales pressure is used; or like Pepsodent which has reached a volume close to eight figures without salesmen; or Cutex which was in a weak position in 1915 after the salesmen had secured 75 per cent distribution, but at once started to grow when the funds were used for newspaper advertising and the goods moved out of the retail store. In fact, scores of successful concerns might be cited which have built volume by mail or through the trade without salesmen or with a minimum of sales activity. Since advertising has proven itself, under certain conditions, as the direct source of volume and profits, the only question open in an individual business is how advertising can be engineered into the operations of that business and what results can be obtained.

Fundamentally, advertising is a simple business force. It should be stripped of the complexities and exaggerations which at times have entered into advertising discussions. For basically advertising is simply selling—selling to the mass instead of selling to the individual. The factors entering into successful advertising are now well recognized. While there is much room for important advances in the science and art of advertising, the fund of facts and experience now in existence is considerable. More and more, advertising problems are being handled along engineering lines. Progressive advertising men as well as business executives consider the fact-finding work quite as important as the creative work. In case after case they have seen that facts can be of astonishing value in stimulating, guiding, and improving the quality of creative work.

Perhaps the most common objection raised by the business man who has not experienced the benefits of sound advertising is: "Advertising may be all right for those concerns; my business is different and I do not see how advertising could possibly help me." If we will only approach this question with an open mind and a willingness to judge advertising by the results it has produced, we shall find that this objection in almost every case lacks validity.

Two comparisons may illustrate that point. Engineers regard electricity as a force rather than a method, a force which can produce an almost unlimited variety of results, from lighting a small lamp to driving a battleship or turning the machinery of a great industrial city. Obviously, a fundamental force such as electricity has many applications. Since scientific management is a group of principles, not a set of